



Travel Agents & Tour Operators in Europe Past, Present and Future Trends

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I. ECTAA, Who We Are

II. Travel Agents and Tour Operators in Europe: Facts & Figures 1990 vs. 2010

III. The Business Model in 2011

IV. Tourist Trends in 2020

I. ECTAA, Who We Are ?

- **EU Federation regrouping 31 Member Associations in 29 European countries**
- **ALTA is a Member since 2004**
- **The Voice of the industry vis-à-vis the EU Institutions**
- **ECTAA celebrates its 50th Anniversary in 2011**

II. Travel Agents & Tour Operators in Europe: Facts and Figures

	<u>1990⁽¹⁾</u>	<u>2010⁽²⁾</u>
Number of enterprises:	88.000	70.000
Global turnover:	210 billion €	300 billion €
IATA acc. agents:	32.000	26.000
Online sales:	0	70 billion €
Sales of packages:	130 billion €	155 billion €

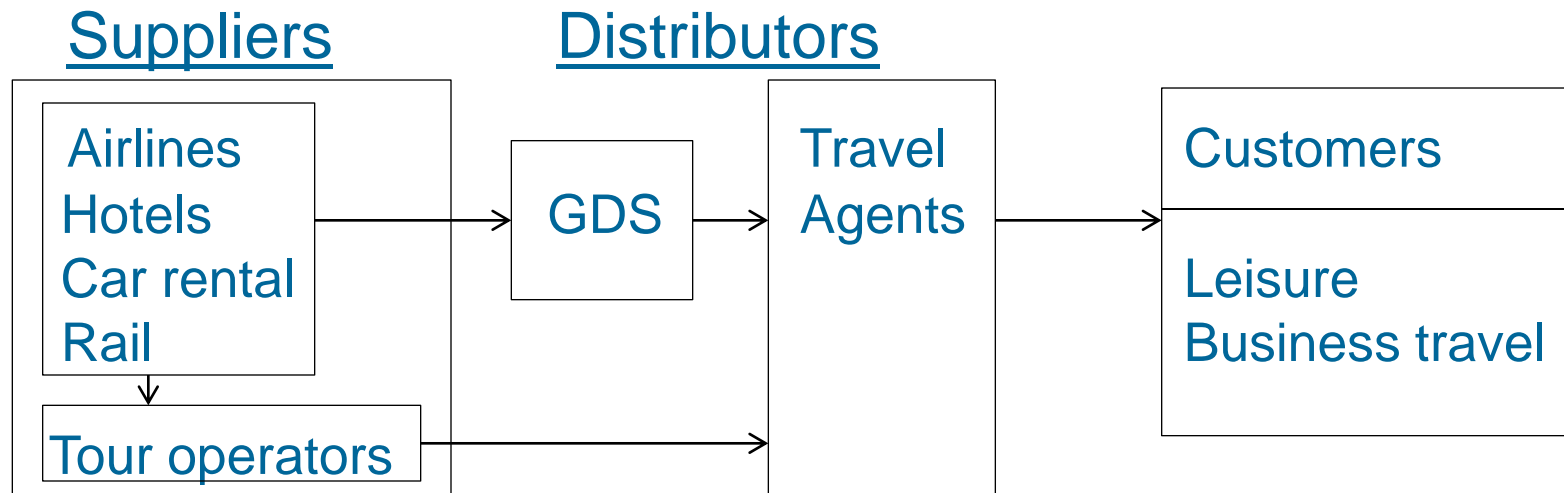
(1) EU: 12 Member States

(2) EU: 25 Member States + 4

III. The Business Model in 2011

A bit of history: 1990

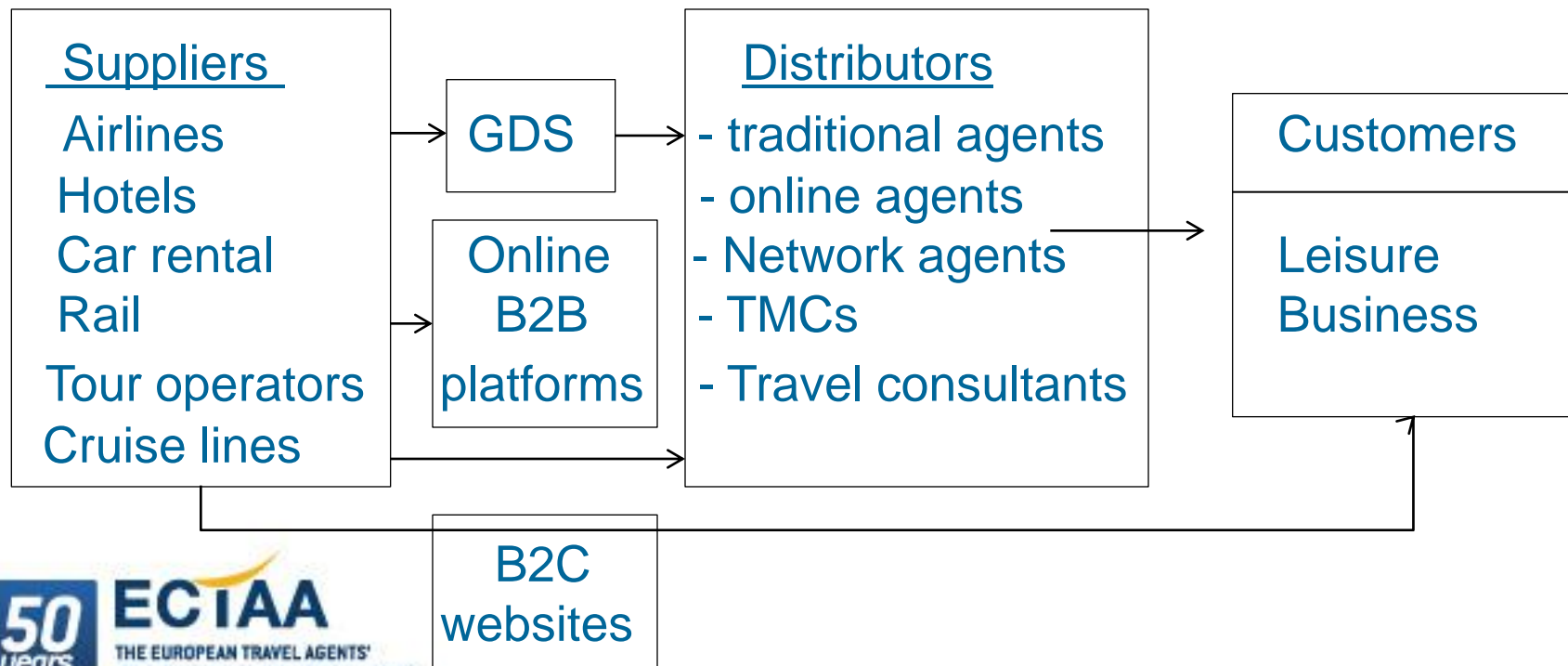
Travel distribution chain: 



III. The Business Model in 2011 (cont.)

The situation in 2011 (simplified)

Travel distribution chain: →



III. The Business Model in 2011 (cont.)

Today's travel services' providers

- Traditional travel agencies
- Travel management companies (TMC)
- Online agents
- Network agents
- Travel consultants
- Are tour operators intermediaries ?

III. The Business Model in 2011_(cont.)

1. Traditional Travel Agencies

- Business model under threat
- Need to:
 - Specialise in specific market segment
 - Preserve independence in joining an efficient network
 - Offer a proven added value to customers
 - Be highly qualified

III. The Business Model in 2011 (cont.)

2. The TMCs

Comprehensive solution for all travel arrangements to corporate customers

- Supplier contracts and corporate policies
- Quality control
- Travel budgets management
- Security and risk management
- Expenses management and reporting

III. The Business Model in 2011 (cont.)

3. Online agents

The independent distribution alternative to airlines & other supplier direct sales

4. Travel agents networks

The response of independent distribution to the concentration/globalisation in the travel trade

5. Travel consultants

Meeting the needs of the “new consumers”

III. The Business Model in 2011 (cont.)

6. Tour operators

- Changing business model
- The competition of low cost carriers
- Matching new consumer patterns: dynamic packaging

III. The Business Model in 2011 (cont.)

New intermediaries: The social networks



facebook®



twitter



LinkedIn®



III. The Business Model in 2011 (cont.)

The actors of the distribution chain:

- GDSs

amaDEUS



Travelport

Sabre Holdings



- New Online platforms

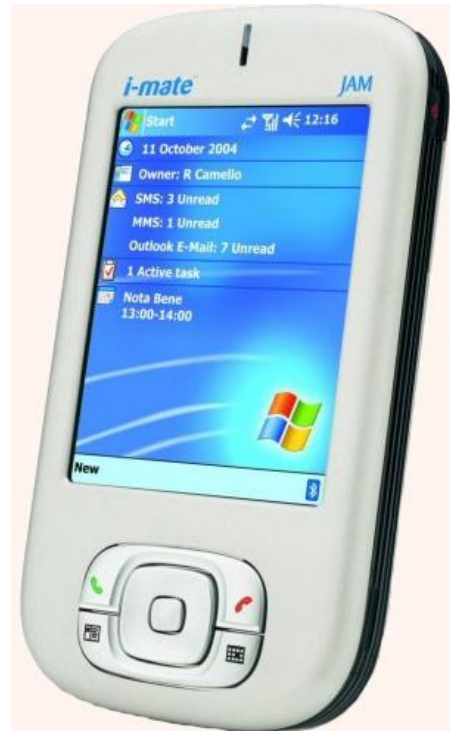


Google



III. The Business Model in 2011 (cont.)

Today's consumer access to travel



IV. Expected Tourist Trends in 2020

- World inbound tourism:

1990: 480 million

2010: 935 million

2020: 1.200-1.400 million (?)

(est: UNWTO FEB 2011)

- 51% of all tourist arrivals in Europe 2010

IV. Expected Trends 2020 (cont.)

Factors affecting the demand:

- Changes in EU demography
→ The silver age
- The power of an informed consumer
- The increased demand for differentiation
- The multi-options' consumer
- A more than ever price sensitive consumer

IV. Expected Trends 2020 (cont.)

Factors affecting the tourism services' offer:

- The climate change
- The globalisation of the tourist offer
- The fast changing technology
- Wars, crises, terror / crisis management
- The competition from third markets

IV. Expected Trends 2020 (cont.)

How should enterprises prepare for the next decade:

1. There is no added value in offering to the customer what he can find in Google for free (Tony Gonchar)
2. Tourism needs competences and skills
3. The unexpected will always happen some-day, some-time: get prepared to the unexpected

IV. Expected Trends 2020 (cont.)

How should enterprises prepare for the next decade:

4. The “baby boomers” are at our doorstep, Let’s do business
5. Tourism development will be more than ever closely linked with:
 - Economic welfare
 - Cost of energy (transport)
 - Infrastructure capacity
 - Free movement of people

IV. Expected Trends 2020 (cont.)

How should enterprises prepare for the next decade:

6. Environment, sustainability, seasonability will be more than ever inseparable of a successful tourist offer
7. How to meet the search for the cheapest price with the best quality
8. Niches will generate the profits, volumes will bring critical issues

Happy 20th Anniversary ALTA





Thank's for your attention

www.ectaa.eu



**Preferred Destination
2011-2012**

